



Cabinet

CAB Min (13) 42/9

Copy No: 33

Minute of Decision

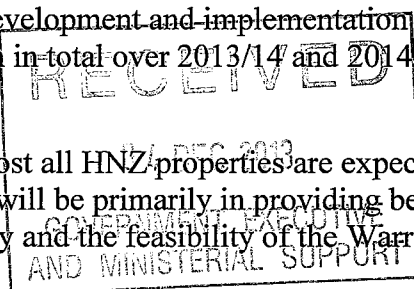
This document contains information for the New Zealand Cabinet. It must be treated in confidence and handled in accordance with any security classification, or other endorsement. The information can only be released, including under the Official Information Act 1982, by persons with the appropriate authority.

Trial of Rental Housing Warrant of Fitness with Housing New Zealand Corporation


Portfolio: Housing

On 2 December 2013, Cabinet:

- 1 **noted** that as part of Budget 2013, the government announced that it would develop a rental housing Warrant of Fitness, for initial implementation in Housing New Zealand Corporation (HNZ) properties;
- 2 **noted** that the purpose of the proposed Warrant of Fitness is to set a minimum acceptable standard for rental housing, to improve the health and safety of tenants, particularly those on low incomes;
- 3 **noted** that HNZ will trial a Warrant of Fitness scheme based on pass/fail minimum standard;
- 4 **noted** that the Warrant of Fitness is designed to allow potential application in the future to other social housing providers, and to private rentals where tenants receive government-funded accommodation assistance;
- 5 **noted** that a Warrant of Fitness will not address tenant behaviour which results in poor health outcomes, or overcrowding;
- 6 **noted** that as a pragmatic starting point, the minimum standard of ceiling and floor insulation is proposed as being approximately 1978 requirements;
- 7 **noted** that HNZ will trial the proposed Warrant of Fitness from December 2013, within its existing three-year asset management programme;
- 8 **noted** that additional development and implementation costs for HNZ are expected to be less than \$0.500 million in total over 2013/14 and 2014/15, and will be met from within existing funding;
- 9 **noted** that because almost all HNZ properties are expected to meet the minimum standard, the benefits of the trial will be primarily in providing better information for the government about HNZ stock quality and the feasibility of the Warrant of Fitness standard;



- 10 **noted** that a Technical Advisory Group will be convened by officials to advise on detailed elements of the proposed Warrant of Fitness standard, and on information to be collected to monitor the trial;
- 11 **invited** the Minister of Housing to report back to the Cabinet Social Policy Committee by 31 July 2014:
- 11.1 reviewing HNZ trial results on approximately 60,000 properties;
 - 11.2 advising on indicative feasibility and cost findings;
 - 11.3 advising on the likely cost range to ensure that all HNZ properties meet the proposed Warrant of Fitness standard;
 - 11.4 assessing the applicability of the Warrant of Fitness to private sector rental properties, and potential costs and benefits;
 - 11.5 advising on regulatory options, should the government wish to apply a Warrant of Fitness to private sector rental properties in future.



Secretary of the Cabinet

Reference: CAB (13) 734

Distribution (see over):

